



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 4b

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Memorandum

TO: Legislation Committee
FR: Executive Director
RE: AB 147 (Dickinson)

DATE: March 4, 2011
W. I. 1131

Background

AB 147 (Dickinson) would expand the existing eligible uses of developer fees for transit, bicycle and pedestrian facilities. Under current law these fees may only be spent on improvements to bridges and major thoroughfares. The California State Association of Counties is sponsoring this bill to broaden the eligible uses of developer fees to address the fact that, particularly in built-out urban areas, improvements to pedestrian, bicycle or transit facilities are likely to be more acceptable and more relevant to addressing the impact of a proposed development than roadway or bridge widening projects.

Recommendation: Support

Discussion

In the Bay Area, a number of cities and counties levy fees on new development. A survey conducted by MTC in 2007 found that almost \$100 million was being generated regionwide from developer fees at that time. However, this amount varies significantly from year to year, and no doubt far fewer funds are currently being generated from this source, given the depressed housing market. According to the State Association of Counties, the current project eligibility requirements constrain the types of mitigation that cities and counties can pursue in urban areas, and as a result, serve to discourage infill development. To the extent that cities could use developer impact fees for a broader range of transportation improvements, local jurisdictions could do a better job of mitigating the impacts of the proposed projects in a manner that is consistent with local, regional and state goals for infill development and in accordance with the needs of the neighboring residents.

Because AB 147 would broaden eligible uses of transportation mitigation fees to multimodal transportation improvements, such as bicycle, pedestrian and public transit facilities, we recommend a support position on the bill.


Known Positions

Support

California State Association of Counties

Oppose

None on file


Steve Heminger